

of the board of supervisors of the counties within which such cities are located to levy annually upon all of the taxable property within such city such a per centum for that purpose as may be directed by the city council of such cities not exceeding the limit fixed by law: provided that no contract heretofore made respecting the application of the bridge tax shall be affected hereby.

Approved April 10, 1888.

CHAPTER 17.

FUNDING OUTSTANDING INDEBTEDNESS OF CERTAIN CITIES.

AN ACT Providing for Funding Certain Bonds and Outstanding In- S. F. 337.
debtedness of Certain Cities, and Authorizing Certain Cities to
Fund Certain Outstanding Indebtedness, and to Provide for the
Levy of Taxes for the Payment Thereof, and Providing a Penalty
for the Diversion of Such Tax.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. That all cities organized under the general incor-
poration laws of the State, and having a population of five
thousand or more according to the census of 1885, and whose
outstanding indebtedness, evidenced by the warrants of said
cities exceeds the sum of ten thousand dollars, are hereby au-
thorized and empowered to fund the same and issue bonds of
said cities therefor, in sums of not less than one hundred and
not more than one thousand dollars each, having not more than
twenty years to run, and bearing a rate of interest not exceed-
ing six per cent. per annum, payable semi-annually. And such
cities may also in the same manner refund the indebtedness of
said corporations evidence by bonds thereof heretofore issued
and outstanding at the time of the passage of this act.

Indebtedness
in excess of
\$10,000 may be
funded.

Sec. 2. Said bonds shall be substantially in the following Form of bond.

No. . . . the city of in the State of Iowa for value
received promises to pay 18 . . . , or at any time
before the date, at the pleasure of said city, the sum of
. dollars, with interest at the rate of per
cent. per annum, payable semi-annually at on
the days of and in each year, upon pres-
entation and surrender of the interest coupons hereto attached.
This bond is issued by the city council of said city, under the
provisions of chapter of the acts of the Twenty-
second General Assembly of the State of Iowa, and in conform-
ity with a resolution of said city council, dated day of
. 18

In testimony whereof the said city council of the city of have caused this bond to be signed by its mayor and attested by its auditor or clerk with the seal of said city affixed, this....day of.....18..

..... Auditor or Clerk.

..... Mayor of the City of.....

And the interest coupons attached to said bonds shall be substantially in the following form:

No.... The treasurer of the city of.....in the State of Iowa, will pay the holder thereof on the..day of.....18.. at.....the sum of.....dollars, for interest on city bond No.... Series of.....issued under the provisions of chapter.....of the acts of the Twenty-second General Assembly of the State of Iowa.

.....

City Auditor or Clerk.

SEC. 3. Whenever any bonds issued under the provisions of this chapter shall be duly executed, numbered consecutively and sealed, they shall be delivered to the treasurer of said city issuing the same, and his receipt taken therefor, and he shall stand charged on his official bond with all bonds so delivered to him and the proceeds thereof, and he shall sell them on the best available terms or exchange them for any legal indebtedness of said city, evidenced by the outstanding warrants or bonds of said city outstanding at the date of the final passage of this act, but in no case shall said bonds be so sold or exchanged for a less sum than their face value and all interest accrued at the date of said sale or exchange; and if any such bonds shall be sold for money, the proceeds thereof shall be applied exclusively to the payment of such bonds or indebtedness outstanding at the date of the final passage of this act. When they are exchanged for warrants of said city said treasurer shall at once cancel said warrants as by the ordinances of said city provided. He shall keep a record of all bonds sold or exchanged by him, by number, date of sale, amount, date of maturity, the name and address of the purchaser, and if exchanged, what evidences of debt were received therefor, which record shall at all times be open to the inspection of the citizens of said city; said treasurer shall also report under oath to the city council of said city, at each first regular session thereof in each month, a statement of all such bonds so sold or exchanged by him since his last report and the date of such sale or exchange, and when exchanged, a description of the city indebtedness exchanged therefor.

City treasurer to sell bonds on best terms.

Record of bonds sold to be kept.

No bonds issued in excess of constitutional limit.

SEC. 4. No bonds shall be issued under this act in excess of the constitutional limit nor for any other purposes than to fund the outstanding indebtedness of said cities evidenced by the warrants of said cities outstanding at the date of the final passage of this act, or to refund outstanding bonds, at such time or by contracts existing at such date and to be performed within the year 1888.

Sec. 5. The city council of all cities issuing bonds under and by virtue of this chapter shall cause to be assessed and levied each year upon all the taxable property of said city, in addition to the levy for other purposes, a sum sufficient to pay the interest on bonds outstanding issued in conformity with and by virtue of the provisions of this act, accruing before the next annual levy, and such proportion of the principal, that at the end of five years the sum raised shall equal at least twenty per cent of the amount of bonds issued; at the end of ten years at least forty per cent of said amount; at the end of fifteen years at least sixty-five per cent of said amount, and at or before the date of the maturity of said bonds a sum equal to the whole amount of the principal and interest, and the money arising from such levies shall be known as the bond fund, and shall be used for the payment of the bonds issued under and by virtue of the provisions of this act, and the interest thereon and for no other purpose.

Assessment for purposes of interest.

Sec. 6. Whenever the amount in the hands of the treasurer belonging to the bond fund, after deducting the amount required to pay the interest on said bonds maturing before the next levy, shall be sufficient to redeem one or more bonds, he shall notify the owner of such bond or bonds that he is prepared to pay the same with all interest accrued thereon, and if not presented for payment or redemption within thirty days after the date of such notice, the interest on such bonds shall cease and the amount due thereon shall be set aside for the payment thereof whenever presented. All redemptions shall be made in the exact order of their issuance, and the notice herein required shall be directed to the address of the owner of said bonds as shown by the record thereof kept in the treasurer's office.

Redemption of bonds.

If bonds not presented interest to cease.

Sec. 7. If the city council of any city which has issued bonds under the provisions of this act, shall fail to make the levy necessary to pay such bonds and interest coupons at maturity and the same shall have been presented to the treasurer of such city, and payment thereof refused, the owner may file the bond together with all unpaid coupons with the Auditor of State, taking his receipt therefor, and the same shall be registered in the Auditor's office, and the Executive Council at their next session as a board of equalization, and at each annual equalization thereafter shall add to the State tax to be levied in said city a sufficient rate to realize the amount of principal and interest past due and to become due prior to the next levy, and the same shall be collected as part of the State tax and paid into the State treasury and passed to the credit of such city, as bond tax, and shall be paid by warrants as the payments mature to the holder of such bond as shown by the register of the State Auditor, until the same shall be fully satisfied and

Unpaid bonds or coupons to be filed with State Auditor.

Right of holder to resort to other remedies not abridged.

discharged; *provided*, that nothing herein contained shall be construed to limit or postpone the right of any holder of any such bonds to resort to any other remedy which such holder might otherwise have.

Embezzlement.

SEC. 8. Any member of the council or any officer of any city levying and collecting taxes under the provisions of this act who shall in any, manner participate in, or advise the diversion of said tax to any other purpose, than that provided for in this act shall be deemed guilty of the crime of embezzlement, and shall be punished accordingly.

Publication.

SEC. 9. This act being deemed by the General Assembly of immediate importance, shall take effect and be in force from and after its publication in the Iowa State Register and the Des Moines Leader, newspapers published in the city of Des Moines.

Approved April 3, 1888.

I hereby certify that the foregoing act was published in the *Iowa State Register* April 6, and the *Des Moines Leader* April 7, 1888.

FRANK D. JACKSON, *Secretary of State.*

CHAPTER 18.

LEVY OF ADDITIONAL TAX BY CITIES OF FIRST CLASS.

S. F. 402.

AN ACT To Empower Cities of the first class, organized as such since January 1, 1885, to Levy Taxes additional to section 461, Code.

Be it enacted by the General Assembly of the State of Iowa:

Tax of 3 mills to pay indebtedness for library.

SECTION 1. That all cities of the first class organized as such since January 1, 1885 that have accepted the benefits of the provisions of section 461 of the Code of Iowa, shall in addition to the powers conferred by said section have power to levy and collect a tax not to exceed 3 mills on the dollar of the assessed valuation of such city or town to pay the interest on any indebtedness heretofore contracted or that may hereafter be contracted or incurred for the purchase of land and the erection of buildings for a public library or the hiring of rooms or buildings for such purposes or for the compensations of the necessary employes as provided in section 461 of the Code and to create a sinking fund for the extinguishment of such indebtedness.

Approved April 11, 1888.